



## City of Huntington Beach Planning Department **STUDY SESSION REPORT**

**TO:** Planning Commission  
**FROM:** Scott Hess, AICP, Director of Planning  
**BY:** Jennifer Villaseñor, Associate Planner *JW*  
**DATE:** April 22, 2008  
**SUBJECT:** GENERAL PLAN AMENDMENT NO. 07-002 (HOUSING ELEMENT UPDATE)  
**LOCATION:** Citywide

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### **PROJECT REQUEST AND SPECIAL CONSIDERATIONS**

The Housing Element is a citywide plan for housing, including the provision of affordable housing, in the City of Huntington Beach. It is one of the seven State mandated elements of the General Plan and was last updated in 2000. Pursuant to California Government Code Section 65588, the Housing Element must be updated for the 2008-2014 planning period.

State Housing Element Law (Article 10.6 of Chapter 3 of the Government Code) establishes requirements for the content of local agencies' housing elements in order to ensure that housing issues are adequately and thoroughly addressed. The City has retained a consultant to assist staff in the preparation of the Housing Element Update in meeting the State's requirements and ultimately obtaining certification from the California State Department of Housing and Community Development (HCD).

### **CURRENT LAND USE, HISTORY OF SITE, ZONING AND GENERAL PLAN DESIGNATIONS**

Not applicable.

### **APPLICATION PROCESS AND TIMELINES**

<b><u>DATE OF COMPLETE APPLICATION:</u></b>	<b><u>MANDATORY PROCESSING DATE(S):</u></b>
Not applicable	June 30, 2008 by HCD

### **CEQA ANALYSIS/REVIEW**

The City's consultant prepared an environmental assessment pursuant to CEQA guidelines for the Housing Element Update. On April 14, 2008 the Environmental Assessment Committee approved the processing of a negative declaration for the 2008-2014 Housing Element Update. The 30-day public review and comment period started on Thursday, April 17, 2008 and ends on Friday May 16, 2008.

### **COMMENTS FROM CITY DEPARTMENTS AND OTHER PUBLIC AGENCIES**

The Economic Development Department has coordinated with Planning staff and the city's consultant in the preparation of the draft Housing Element. Comments from other City departments are not required.

## **PUBLIC MEETINGS, COMMENTS AND CONCERNS**

There were three initial public meetings held in 2007 to discuss the Housing Element Update. The three meetings included a Planning Commission Study Session, an Affordable Housing Ad Hoc Council Committee meeting and a City Council Study Session. The purpose of these meetings was to introduce key components of the Housing Element Update and provide the City's policy makers and interested parties an opportunity to comment on the data, analysis and programs included in the draft Housing Element. The Planning Commission raised a number of questions and had several comments at the study session related to how the following issues would be addressed in the Housing Element: child care and senior care services, overcrowded housing conditions, rehabilitation of units in deteriorating areas for affordable housing, mobile home parks as an affordable housing resource, the preservation of existing assisted rental housing, City vacancy rates, the City's homeless population and the need for emergency shelters and how the City intends to meet the RHNA for very-low and low income housing units.

Comments from the Planning Commission study session as well as the two other public meetings were incorporated into the draft Housing Element, which was completed in December 2007 and subsequently sent to HCD for a 60-day review period (see next section for discussion of HCD's comments). The draft Housing Element was also forwarded to the Planning Commission and made available to the public for a 60-day review and comment period. Below is a summary of the Housing Element Update process to date.

### **October - November, 2007**

Affordable Housing Ad Hoc Committee meeting and Planning Commission and City Council study sessions conducted to gather input on data, analysis and programs to be included in draft Housing Element Update.

### **December 13, 2007 – February 11, 2008**

Draft Housing Element Update sent to HCD for 60-day review.

Draft Housing Element Update available for public review and comment for 60 days.

### **February – March, 2008**

Staff and consultant revise draft Housing Element based on comments received from HCD and the public.

### **April 7, 2008**

Revised draft Housing Element Update sent to HCD for further review.

Staff received three comment letters on the draft Housing Element Update. The letters are included as Attachment No. 2 to this staff report and generally address issues related to: the estimate of the homeless population in the City and the provision of appropriate locations for emergency shelters, the need for affordable rental housing for families, sites to accommodate higher densities suitable to provide affordable housing, programs to encourage and facilitate the provision of affordable housing, the shortfall of adequate sites to meet the needs of the very low and low income households and the role of non-profit agencies as an affordable housing resource in the City.

Currently, the revised document is at HCD for further review. A public hearing is scheduled for the Planning Commission to take action on the 2008-2014 Housing Element Update on May 27, 2008.

## **PLANNING ISSUES**

The draft Housing Element Update has undergone many changes since it was initially distributed to the Planning Commission in December 2007. Staff received comments on the draft Housing Element Update from HCD requesting that the document be revised to include more detailed analyses of governmental constraints and strengthened housing programs, specifically the City's rezoning program.

As described in the revised draft Housing Element (Section IV, Housing Resources), the Southern California Association of Governments (SCAG) has determined that Huntington Beach has a regional housing need (RHNA) of 2,092 units for the 2008-2014 planning period. Additionally, the RHNA is broken down further into the number of housing units needed for various household income categories. The City's RHNA per income category is: 454 very low income units, 369 low income units, 414 moderate income units and 855 above moderate income units. The City plans to fulfill its share of the regional housing need using a combination of the methods listed below and further discussed in the revised draft Housing Element Update (Attachment No. 1):

1. Development on vacant sites already zoned for residential use;
2. Residential projects with development entitlements (Pacific City, Blue Canvas, the Villas);
3. Beach/Edinger Corridor Specific Plan (mixed use projects – Bella Terra Phase II, Ripcurl, Watt Development);
4. Residential development on surplus school sites (Lamb and Wardlow);
5. Committed assistance for preservation of at-risk housing; and
6. Rezoning of sites for exclusively residential use (encompassing sites within the Beach/Edinger Specific Plan and Pacifica Community Specific Plan).

Significant changes have been made to the rezoning program (# 6) to comply with the requirements of AB 2348, which requires that the City rezone property to accommodate its shortfall of sites to meet the lower income regional housing need. The statute also stipulates that 50 percent of the lower income shortfall sites be designated for exclusively residential uses and that the residential uses be permitted by right. In the revised Housing Element Update, the City has identified several sites for potential rezoning to exclusively residential uses to address 50 percent of the City's lower income sites shortfall, including several sites identified as most vulnerable to change through the preparation of the Beach/Edinger Specific Plan.

Substantial additional analysis has also been conducted pertaining to governmental constraints. For example, the City's residential development standards are further analyzed to assess their impact on density; development fees for apartments are clarified; and project processing procedures are further detailed. As a result of this additional constraints analysis, expanded and new programs have been added to the draft Housing Element, including establishing an increased size threshold for approval of multi-family projects by right. Finally, housing programs have been strengthened to add specific milestones and clarify City commitments.

## **ATTACHMENTS:**

1. Revised Draft Housing Element Update (redlined version), dated April 7, 2008
2. Letters received during 60-day review and comment period
3. Letter from HCD, received and dated February 14, 2008

# ATTACHMENT NO. 1

## (not attached)

AVAILABLE FOR REVIEW AT:

CITY OF HUNTINGTON BEACH  
PLANNING DEPARTMENT  
2000 Main Street, 3<sup>rd</sup> Floor

ON THE INTERNET

<http://www.surfcity-hb.org/Government/Departments/Planning/major/HousingElementUpdate.cfm>

February 11, 2008



www.kennedycommission.org  
17701 Cowan Ave., Suite 200  
Irvine, CA 92614  
949 250 0909  
fax 949 263 0647

Ms. Jennifer Villaseñor, Associate Planner  
City of Huntington Beach  
Planning Department  
2000 Main St.  
Huntington Beach, CA 92648

RE: City of Huntington Beach's Draft Housing Element

Dear Ms. Villaseñor:

Thank you for the opportunity to allow us to comment on the City of Huntington Beach Housing Element. We have reviewed the draft Element and submit this letter to provide public comments.

The Kennedy Commission is a broad based coalition of community advocates focused on building a supportive environment for the creation of housing opportunities for families in Orange County earning less than \$20,000 annually.

First and foremost we would like to acknowledge the City of Huntington Beach's contributions to addressing some of the needs of lower income families through their acquisition/rehabilitation and its Inclusionary Zoning programs.

Our comments and recommendations focus on the following areas:

**1. Affordable Housing Needs Assessment**

According to the Housing Needs assessment in the 2006-2014 Draft Housing Element, Huntington Beach's demographic composition and housing market conditions demonstrate a growing affordable housing need, particularly rental housing for families.

**2. Inventory of Land Suitable for Residential Development**

Government Code Section 65583 (a)(3) requires local governments to prepare an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

An analysis of the sites inventory demonstrates that the City will have a shortfall of sites appropriate to meet the housing needs of 823 housing units for extremely low, very low and low- income households. A cursory review of the inventory list shows that the majority of sites have density limitations or environmental constraints that would impede development of affordable housing for extremely low, very low and low- income households, which would require greater densities

ATTACHMENT NO. 2.1

in the range of 30 units to the acre (maximum density for identified vacant parcels appropriately zoned falls in the 2 to 16 units to the acre range).

Furthermore, the site suitability analysis lacks specific language and policies that would encourage and facilitate affordable housing for the lower income segments in multi-family zones and the proposed specific plan.. In the development of the Specific Plan, we would encourage the City to work with advocates and developers (for and non-profit) to identify incentives and sites that will create housing opportunities for the lower income needs of the city commensurate with their share of the Regional Housing Needs.

#### **Sites Inventory –Mixed Use**

Where the inventory reveals insufficient sites to accommodate the housing needs for all income levels, the program section must provide sufficient sites, developable “by right” at multifamily densities, to provide 100% of the shortfall of sites necessary to accommodate the remaining housing need for very low and low-income households. (CA Government Code Section 65583(c) (1)(A)). At least 50% of the very low-income housing need shall be accommodated on sites designated for residential uses and for which nonresidential uses or mixed-uses are not permitted. . (CA Government Code Section 65583.2(h)).

It would appear that the City would be relying heavily on a Conceptual Residential /Mixed Use zone change in the Beach/Edinger Specific Plan to accommodate for housing sites for extremely low, very low and low- income households. The Specific Plan could potentially add a unit capacity of 1,715 housing units for moderate and above moderate-income categories at a average density of 32-100 units to the acre. To date the pending projects are proposing only a fractional 10% of a 440 apartment unit development as affordable at low-income. This strategy would leave the City with a great shortfall in sites for the lower income households. The potential Specific Plan identified potential sites, but does not provide for opportunities or incentives that would encourage or facilitate 100% affordable housing developments. Even though it may be argued that these sites in the Specific Plan may provide for higher density opportunities, these identified sites are not directly correlated with specific programs or policies that could lead to “by right” affordable housing developments to meet the 823 housing units for extremely low, very low and low- income households. The Specific Plan is geared to create market housing and potentially a small percentage will be affordable at low or moderate. This approach will not assist the City in meeting its sites capacity. The City should look at a strategy that involves the rezoning of land to multi-family zone with densities that support affordable housing development for the lower income households.

### **3. Policies and Goals**

On pageV-11, Goal two and three state that the city will provide adequate sites and assist in the development of affordable housing opportunities to accommodate the City’s current housing needs. We are very interested in supporting City efforts in this area, as it strives to address the needs for extremely low, very low and low-income households. We suggest that the language under the implementation policies and actions be amended to

say what specific land use policies will be pursued, such as an affordable housing ordinance or other policies that facilitate the incorporation developments that are 100% affordable to working families at the extremely low, very low and low income categories.

**4. SB 2 Planning for Emergency Shelters**

On pages II-17 and III-9, the City states that it has conducted an analysis of the homeless needs pursuant to SB 2 by using the City of Huntington Beach's Police Department *visible* homeless which estimates, "the local homeless population at around 50 persons in the warmer months, with the numbers declining in the winter." We believe the City needs to consider a more comprehensive analysis of their homelessness needs under SB 2. A *visible* estimate from the police department is not representative of a community's homelessness needs. The City should consider other sources to identify a realistic and comprehensive estimate of its homeless population. We would suggest that City's analysis consider:

- 1) A survey of local homeless providers and shelters to account for clients served and those turned away due to capacity.
- 2) Review of homelessness data and funding needs compiled by local governments (City and County), the City's Consolidated Plan, homeless shelter providers, Continuum of Care, CMIS reports and local homelessness partners.
- 3) Consider that the homeless population may extend to individuals that are living in temporary housing, such as shelters, armories, garages, temporarily living with friends and family and motels.

A comprehensive review is crucial to assess the City's true homelessness needs and solutions to provide housing options to this very vulnerable population.

The Kennedy Commission looks forward to working in partnership with the City to achieve our mutually beneficially goals of expanding affordable housing opportunities for local residents. In the process, we also welcome the opportunity to work more closely with City staff to help lower some of the above-mentioned barriers that have prevented new construction affordable housing development. Furthermore, with solid policies, appropriately zoned sites and the new funding opportunities for affordable housing development through monies from Proposition 1C, we feel that Huntington Beach could be positioned to leverage financial resources and make a significant contribution to it's housing needs in a balanced approach.

In conclusion, given the importance of the General Plan Housing Element to address the current and future housing needs of Huntington Beach residents, the Kennedy Commission would welcome the opportunity to have further dialogue on how we can work with the City to ensure that the Element includes specific policies that will result in meaningful portion of the new housing production being affordable to extremely low, very low and low- income households.

Sincerely,



Cesar Covarrubias

Senior Project Manager

cc: Ms. Cathy Creswell, California Housing and Community Development Department



## Colette's Children's Home

17301 Beach Blvd. Suite 23

Huntington Beach, CA 92647

Telephone (714) 596-1380 \* Fax (714) 848-1866

[www.homelessusa.org](http://www.homelessusa.org)

### Colette's Children's Home Comments to Huntington Beach Housing Element

- Colette's Children Home developed two housing projects with the City of Huntington Beach. They serve as transitional shelters for homeless women with children in Huntington Beach. We house and serve homeless women with children and chronically homeless women.
- Pursuant to state law (Government section 65583(C5). "The local government shall make diligent efforts to achieve public participation of all the economic segments of the community in the development of the housing element and the program shall describe the effort. As a partner with the City of Huntington Beach, we were not directly approached regarding updating the City's housing element.
- Use of the Federal Poverty limits to determine those in poverty in Huntington Beach underestimates those actually living in poverty. A family of four earning a gross income of \$17,464 is **not** considered to be living in poverty. The housing element plan states that the cost of a rental unit, suitable for a family of four, is \$1,795/month or **\$21,540/year**, therefore it is illogical to use Federal poverty limits without adjustment for the high cost of housing to determine those living in poverty in Huntington Beach. **(HOUSING NEEDS ASSESSMENT II-10)**
- The homeless count of 50 is significantly lower than actual numbers in Huntington Beach. We recommend using the same homeless definition as Orange County Housing and Community Services Department for consistency and to give a clearer and better picture of the homeless population living in Huntington Beach. Homeless people who are already in shelters and hotels are not taking into consideration in this visual count. The City's Police Department estimates the local homeless population at around 50 persons in the warmer months, with the numbers declining during the winter. The homeless number was given by Lieutenant Mike Reynolds, Huntington Beach Police Department, Special Enforcement Bureau, and August 2007. There is no indication what method was used to develop the homeless count of 50 in this plan. The count grossly underestimates homeless needs in Huntington Beach by not considering homeless living in temporary housing conditions such as garages, sleeping on couches. **(HOUSING NEEDS ASSESSMENT II-17)**
- Housing Resources Section C. ADMINISTRATIVE RESOURCES Requested Change:  
Described below are several non-profit agencies that have completed projects in Huntington Beach and can continue to serve as resources in the implementation of housing activities in the City. These agencies play an important role in meeting the housing needs of the City, and are integral in implementing activities for acquisition/rehabilitation, preservation of assisted housing, development of affordable housing.





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### Colette's Children's Home Comments to Huntington Beach Housing Element

**Colette's Children's Home (CCH):** CCH is the only non-profit developer headquartered in Huntington Beach employing Huntington Beach residents. CCH has developed and implemented numerous affordable housing projects throughout Orange County. CCH has completed two multi-family acquisition/rehabilitation projects in Oakview and Sun View neighborhoods in Huntington Beach. CCH programs address the entire homeless and poverty recovery model from emergency housing and services, transitional housing and services, and finally to permanent housing.

Since the listed Administrative Resources "play an important role in meeting the housing needs of the City, and are integral in implementing activities for acquisition/rehabilitation, preservation of assisted housing, development of affordable housing," it is of primary importance for CCH to be included on this list. There are five "pending projects" with two of the non-profit providers listed under Administrative Resources.

CCH would like the opportunity to be considered and compete on a level playing field with other housing developers and providers of supportive services; therefore,

- What was the Request for Proposal process that secured the services of these five projects that are pending?
- What is the Request for Proposal process that will be used to fulfill the housing needs defined in this plan?
- How will RFPs be communicated to potential developers, as CCH was not notified of this housing element revision?

(HOUSING RESOURCES IV- 15)

We look forward to working with the City of Huntington Beach to serve and meet the needs of our community. Any questions or comments, please feel free to contact me at the above phone number.

Respectfully,

William O'Connell

Executive Director



PROVIDING ACCESS TO JUSTICE  
FOR ORANGE COUNTY'S LOW INCOME RESIDENTS

February 11, 2008

Ms. Jennifer Villaseñor, Associate Planner  
**CITY OF HUNTINGTON BEACH**  
Planning Department  
2000 Main Street  
Huntington Beach, CA 92648

**Re: Housing Element Draft**

Dear Ms. Villaseñor:

The Public Law Center (PLC) is a not-for-profit organization that provides legal services to low-income individuals and community-based organizations in Orange County. Some of PLC's clients are low-income residents who live and/or work in the City of Huntington Beach, and community-based organizations that are located in and/or serve the Huntington Beach community and surrounding areas.

PLC submits these comments on behalf of PLC individual and organizational clients that could be adversely impacted as a result of the Housing Element Update. As discussed below, PLC is in support of comments to you from Mr. Cesar Covarrubias, Senior Project Manager, *Kennedy Commission*.

In particular, the Kennedy Commission comments remind the City of its obligation to provide adequate sites and assist in the development of affordable housing opportunities to accommodate the City's *current* housing needs. The articulation of specific land use policies to this end is also recommended by the Commission.

On these points, we also wish to remind the City, specifically, about a letter to all Planning Directors (and Interested Parties) from the California Department of Housing and Community Development, Division of Housing Policy Development (HCD), dated June 20, 2007, reviewing section 65584.09 of the Government Code which took effect on January 1, 2006.

As explained in the HCD letter, section 65584.09 requires local governments to zone or rezone adequate sites, within the first year of their new planning period, to address any portion of its housing element for which the jurisdiction failed to identify or make available sites in the prior planning period, its "short fall."

Government Code, section 65584.09, applies in part to those local governments that failed to implement adequate sites programs to make sites available within the planning period. This accumulation of legal duty underscores the need for Huntington Beach to be proactive through responsive programs and policies (see, HCD's *Housing Element Questions & Answers: A Guide to the Preparation of Housing Elements*, at p.23), and the substantial lead time needed to yield positive results. It is now time for stronger action by the City, lest it fall even further behind its duty under the law.

Likewise, this office agrees with the Kennedy Commission regarding additional work which needs to be done by the City for compliance with its duties set forth under SB 2 (amending Sections 65582, 65583 and 65589.5 of the state Government Code). The thrust of this legislation is premised upon an *accurate* determination of homelessness need. The windshield survey by your law enforcement department (the *visible* homeless) is not only inadequate but legally non-compliant with this legislation to say nothing about the perceived message. The new legislation for cities requires that these determinations become a part of "their planning process." The visual survey by your police is completely incompetent at this level of legal duty. Moreover, as is inherent with any planning work, a geographic

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determination in the form of *appropriate locations* for such shelters is required. Clearly, the City needs to do a great deal more work. Careful reading of SB 2 would be advisable for appropriate planning by the City.

Please reply to this office, indicating which sites -- through legally mandated site-specific analyses -- the City of Huntington Beach has identified or made available to address the needs of the homeless and extremely low, very low and low-income households; and, equally, what program(s) of implementing actions) the City will undertake to make adequate sites available, including actions it will take to make up any shortfall.

If you have questions on or wish to discuss any of the points raised in this letter, I can be reached directly at (714)619-9270.

Thank you.

Very truly yours,

**PUBLIC LAW CENTER**

BY:

\_\_\_\_\_  
Ezequiel Gutierrez, Esq.

cc: Cal HCD  
Kennedy Commission

ATTACHMENT NO. 27

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
**Division of Housing Policy Development**

1800 Third Street, Suite 430  
P. O. Box 952053  
Sacramento, CA 94252-2053  
(916) 323-3177 / FAX (916) 327-2643  
www.hcd.ca.gov



February 11, 2008

City of Huntington Beach

FEB 14 2008

Mr. Scott Hess, Director of Planning  
City of Huntington Beach  
2000 Main Street  
Huntington Beach, CA 92648

Dear Mr. Hess:

**RE: Review of the City of Huntington Beach's Draft Housing Element**

Thank you for submitting the City of Huntington Beach's draft housing element received for the Department's review on December 13, 2007, along with additional revisions on January 28, 2008. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Telephone conversations with Ms. Mary Beth Broeren and Ms. Jennifer Villaseñor of your staff, and your consultant, Ms. Karen Warner, facilitated the review.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element should include more detailed analyses of governmental constraints and strengthen programmatic commitments specifically regarding the City's rezoning program. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

The Department appreciates the cooperation of Ms. Broeren, Ms. Villaseñor and Ms. Warner throughout the course of the review and is available to assist Huntington Beach in addressing statutory requirements. If you have any questions, or wish to schedule a site visit, please contact Melinda Coy, of our staff, at (916) 445-5307.

Sincerely,

A handwritten signature in cursive script that reads "Cathy E. Creswell".

Cathy E. Creswell  
Deputy Director

Enclosure

ATTACHMENT NO. 3.1

## APPENDIX CITY OF HUNTINGTON BEACH

The following changes would bring the City of Huntington Beach's housing element into compliance with Article 10.6 of the Government Code. The supporting section of the Government Code is cited to accompany each recommended change.

Housing element technical assistance information is available on the Department's website at [www.hcd.ca.gov/hpd](http://www.hcd.ca.gov/hpd). Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements*, the Department's publication, *Housing Element Questions and Answers (Qs & As)*, Government Code addressing State housing element law and other resources.

### A. Housing Needs, Resources, and Constraints

1. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Huntington Beach has a regional housing need of 2,092 housing units for the current planning period of which, 823 units are for lower-income households. Recent construction and approval resulted in a remaining regional housing need of 1,918 housing units, of which, 820 are for lower-income households. To address this need, the element relies on a variety of strategies, including utilization of vacant and underutilized properties, preservation of the Wycliffe Gardens, and a rezone program to accommodate the shortfall of sites. However, to demonstrate the adequacy of these strategies and sites to accommodate the City's remaining regional housing need, the element must be revised as follows:

#### Site Inventory and Analysis

*Sites Inventory* - The element has identified a shortfall of sites to accommodate the need for 704 units for lower-income households and 284 units for moderate-income households. As stated in the revised draft (page IV-9), the City intends to address the shortfall of sites through the adoption of the Beach/Edinger Corridor Specific Plan and subsequent rezoning of sites within the specific plan. However, it is unclear whether there are sufficient sites within the corridor to accommodate the remaining lower-income need. The element identified four specific sites to be rezoned for residential use under the specific plan. As stated in the element, three of these sites have proposed projects which plan to accommodate 189 units approved for lower-income households. However, the element should include an evaluation of adequacy

and suitability of the Watts site to accommodate the remaining need for all income groups. As a result, the element may need to identify additional sites to ensure sufficient capacity to accommodate the remaining lower-income need. The element should also clarify whether the rezoning of these sites will occur as part of or after the adoption of the specific plan.

In addition, the element must clearly demonstrate sufficient sites will be rezoned to ensure that 50 percent of the remaining need will be accommodated on sites zoned exclusively for residential use. From conversations with City staff, it is the Department's understanding three of the sites described in the revised draft (page IV-11), Ripcurl, Bella Terra and Golden West College will be zoned exclusively for residential use. The Watts' property will include 10,000 feet of retail (page IV-10) and therefore will not be zoned exclusively for residential use. The element does acknowledge that additional sites will be zoned to require a residential component or allow for stand-alone residential use as part of the specific plan. However, the element must provide more information on the sites and proposed zoning to demonstrate compliance with this statutory requirement.

*Realistic Capacity* – The element must describe the methodology used to determine the anticipated development capacity of identified sites. Specifically, the element should clearly describe the criteria used to determine the dwelling unit capacity listed on Table IV-2, as well as the potential capacity of sites to be rezoned under the Beach/Edinger Corridor Specific Plan. The analysis must adjust the calculation based on imposition of existing or planned land-use controls, and site improvement requirements, as well as recent development trends. The element should also describe the impact of constraints listed in the "Developable Vacant Residential Sites Inventory" (Appendix A) on the capacity and suitability of the sites. For example, the element should evaluate the impact of the location of sites within the coastal zone as well as the impact of contamination issues identified on Site 16.

*Suitability of Non-Vacant Sites* – The element must demonstrate the suitability and feasibility of non-vacant sites. An adequate analysis includes an evaluation of the extent to which existing use may impede additional residential development and a description, relative to identified sites, of development trends, market conditions and regulatory incentives and standards to facilitate redevelopment or reuse. For example, the element should describe the suitability and feasibility of sites 6 and 16 for development within the planning period. The element should also identify and evaluate the suitability of any sites to be rezoned to accommodate the remaining housing need for lower-income households. This analysis could utilize interest from property owners, applications in the planning stage or recent redevelopment activity. This information could describe recent characteristics and circumstances leading to redevelopment, such as discontinuing uses, and could be compared to identified sites to demonstrate their suitability in the planning period.

*Adequate Sites Alternative* – Pursuant to Government Code Section 65583.1(c), local governments can rely on existing housing units to address up to 25 percent of their adequate sites requirement by counting existing units preserved through the provision of “committed assistance” to low- and very low-income households at affordable housing costs or affordable rents. While the element contains the *AB 428 Compliance Checklist* in Appendix B, the element must clearly describe how each of the provisions has been addressed. For example, the element must describe the public hearing process which found the units eligible and reasonably expected to convert to market-rate as well as the specific date in which the committed assistance will be in place.

#### Sites with Zoning for a Variety of Housing Types

The housing element must demonstrate the availability of sites, with appropriate zoning, that will encourage and facilitate a variety of housing types, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. An adequate analysis should, at a minimum, identify whether and how zoning districts explicitly allow the uses, analyze whether zoning, development standards and permit procedures encourage and facilitate these housing types. If the analysis does not demonstrate adequate zoning for these housing types, the element must include implementation actions to provide appropriate zoning.

Specifically, the element does not indicate how mobilehomes are permitted. In addition, the element indicates (pages III-7 and III-8) the City has specific ordinances for SROs and manufactured housing. The element must describe these ordinances; how they are implemented and analyzed for any constraints on the development of these housing types.

The element acknowledges (page III-9) it must identify zoning to encourage and facilitate transitional housing and emergency shelters. The element indicates transitional housing is permitted per the type of housing development (e.g. multifamily housing, group homes, etc.). However, it is unclear if the zoning code expressly allows this type of housing as a permitted use. If not, the element should include a program to amend the zoning ordinance to allow transitional housing as a permitted use in residential zones.

In addition, as the element indicates emergency shelters are to be subject to the same development and managerial standards as other permitted uses within the industrial zone. The element should describe and analyze these development standards to demonstrate their appropriateness in encouraging and facilitating the development of emergency shelters. For more information regarding transitional housing, please see the Department's *Building Blocks for Effective Housing Elements*' section on Zoning for Emergency Shelters and Transitional Housing.

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land-use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures (Section 65583(a)(4)).*

*Land-Use Controls* – While the element describes the City's zoning and development standards on Table III-1, it should also analyze these standards for their impact on the supply and affordability of housing. For example, the element should evaluate the cumulative effect of development standards such as lot coverage, height limit, enclosed garage requirements and minimum floor areas on the ability to achieve maximum permitted densities.

*Inclusionary Housing* – The housing element includes a description of the City's inclusionary housing ordinance (page III-4); however, the element should provide a more thorough description and analysis of the ordinance framework. For example, the element should include a more specific description and analysis of the types of incentives the City will adopt to encourage and facilitate compliance with inclusionary requirements and what options are available for developers to meet affordability requirements.

*Processing and Permit Procedures* – While the element identifies how various residential uses are permitted by zone, and processing times for some planning entitlements, it must include a more detailed description and analysis of the total typical review process for both single-family and multifamily units to demonstrate potential impacts on the cost and supply of housing. In addition, because multifamily development over 10 units must be approved by the Planning Commission through a CUP, this process must be further analyzed as a constraint and should identify findings of approval for the CUP and their potential impact on approval certainty, timing, and cost. The City may need to include a program to address this permitting requirement. The element should also describe and analyze any separate Processing and Permit Procedures for developments within the coastal zone.

*Design Review* – The element states development proposals are reviewed by a Design Review Board (page III-16). The element should include a description of the City's design review standards, the role of design review within the City's development approval process, indicate whether objective standards and guidelines exist to allow an applicant for a residential development permit to determine what is required, and analyze its impact upon housing affordability. Based on the outcomes of this analysis, the element may need to add programs to address the guidelines as a constraint.

*Fees and Exactions* – While the element describes the total typical fees in a multifamily and single-family subdivision, an analysis should be provided to determine the impact of the fees on the cost and supply of housing. For example, according to Table III-4, planning and processing fees are significantly higher than infrastructure



and public works fees mainly due to the \$35,000 parks/recreation fee. The element could also identify any policies or efforts to address high fee impacts for housing on lower-income households, such as fee waivers, fee deferrals, streamlined fee processing, and consolidated fee schedules.

*Constraints on Housing for Persons with Disabilities* – The element states the City has conducted a review of zoning and building code requirements and did not identify any impediments. However, the element should include more detailed information and analysis on that review. For example, the analysis should identify and analyze any spacing requirements and include a more detailed discussion of the City's family definition and potential impacts of requiring a CUP for residential care facilities for 7 or more persons. Please refer to the Department's *Building Blocks for Effective Housing Elements*' section on Constraints for Persons with Disabilities or the enclosed copy of the Department's SB 520 memo and analysis tool to assist in addressing this statutory requirement.

*Code Enforcement* – The element should include a more detailed description of the Neighborhood preservation program's code enforcement activities. For example, the element should describe how code enforcement complaints are managed in the targeted neighborhoods, how education and outreach is implemented and what resources are provided to assist homeowners in correcting code deficiencies.

## **B. Housing Programs**

1. *Include a program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land-use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal, state financing and local financial resources (Government Code Section 65583(c)).*

The draft element includes a list of five overarching housing goals, along with a number of accompanying programs. However, most of the programs should be revised to: 1) include specific timelines or milestones; 2) expand the description of the City's role; and, 3) include specific commitments with numerical objectives appropriate. Examples of programs needing strengthening include, but are not limited to:

Program 3 (Neighborhood Preservation Program) – Describe the types of neighborhood improvement activities that will occur under this program, how the education program is implemented, how violators are informed of available rehabilitation assistance to correct code deficiencies, and any specific milestones to assist in the implantation of this program.

Program 4 (Preservation of Assisted Rental Housing) – This program may need to be enhanced depending on the result of the analysis under A1.

Program 6 (Mobile Home Park Preservation) – Given that mobilehome park preservation was identified through the public participation process as an important housing goal, the City should consider strengthening this program. For example, the City could identify resources to facilitate resident purchase of mobilehome parks. For your consideration, information about the Department's Mobilehome Park Resident Ownership Program (MPROP), which finances the preservation of affordable mobilehome parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies, has been sent under separate cover.

Program 8 (Residential and Mixed-Use Inventory) – Describe any incentives to facilitate housing affordable to low- and moderate-income households in these areas. The conclusions resulting from the analysis completed by City's economic consultant may need to be revised given current market conditions.

Program 10 (Residential Development Opportunities on School Sites) – Describe when the coordination will occur (i.e. annual basis, quarterly, etc.), and when the entitlement process on the two identified sites is expected to be completed.

Program 11 (Second Units) – The program could be strengthened to incentivize development and educate residents on the availability of the program.

Program 18 (Development Fees) – Describe how the fee reimbursement program operates, including how affordable housing developments qualify for the program, the types of fees that are reimbursed, and how the program is promoted.

Program 21 (Accessible Housing) – Describe the time frame for adopting accessibility updates to building and housing codes. In addition, describe when the directory of accessible housing for physically disabled individuals will be established, and how it will be promoted.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in the finding A1, the element does not include a complete site analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or strengthen programs to address a shortfall of sites or zoning available to encourage a variety of housing types. At a minimum, the element should be revised as follows:

Beach/Edinger Corridor Specific Plan

Program 9 should be strengthened to identify specific, suitable sites to be rezoned to accommodate the total remaining housing need by a specific date. The program should also describe the City's efforts to encourage housing development under the specific plan, especially for housing affordable to lower-income households, and how it will promote this program.

Transitional Housing

As noted in finding A1, the element should include a program to amend the zoning ordinance to expressly allow transitional housing as a permitted use in residential zones.

3. *Assist in the development of adequate housing to meet the needs of extremely low-, very low-, low-, and moderate-income households (Section 65583(c)(2)).*

While the element includes some programs to preserve existing housing opportunities, and assist the development of low- and moderate-income households, programs should be included to specifically assist in the development of a variety of housing types, including rental housing, to meet the needs of extremely low-income and special needs households.

In addition, the element should estimate the amount of funds to be deposited to the Redevelopment Low- and Moderate-Income Housing Fund and identify anticipated use of those funds throughout the current planning period. The element should verify sufficient funds for all identified programs reliant on RDA, including Programs 1, 2, 4, 6, 9, 12, and 18.

4. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

As noted in finding A2, the element requires a more detailed analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to strengthen or add programs and address and remove or mitigate any identified constraints.

Further, the element should include a program to develop specific procedures for requesting a reasonable accommodation (as stated on page III-11). It is important to keep in mind that the process should not be limited to the installation of accessibility improvements, but should also address procedures for the approval of group homes, ADA retrofit efforts, an evaluation of the zoning code for ADA compliance or other measures providing flexibility in the development of housing for persons with disabilities.

5. *The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status or disability (Section 65583(c)(5)).*

Program 20 should describe how information is distributed about both fair housing laws and referral resources to address complaints.

**C. Low- and Moderate-Income Housing in the Coastal Zone**

*Coastal localities shall take into account any low- or moderate-income housing required pursuant to Government Code Section 65590 (Government Code Section 65588).*

While the element (page V-4) contains some information regarding coastal zoning demolitions between 1998 through 2005, a more thorough analysis is needed to meet statutory requirements. The element should include information pursuant to Government Code Section 65588, generally such as:

1. The number of new housing units approved for construction within the coastal zone since January 1982.
2. The number of housing units for persons and families of low- and moderate-income required to be provided in new housing developments either within the coastal zone or within three miles.
3. The number of existing residential dwelling units occupied by low- and moderate-income households required either within the coastal zone or three miles of the coastal zone that have been authorized to be demolished or converted since January 1982.
4. The number of residential dwelling units for low- and moderate-income households that have been required for replacement.

This data on new construction, demolished/converted, and replacement housing units for low- and moderate-income households assists in determining whether the affordable housing stock in the coastal zone is being protected and provided as required by Section 65590. Because the review of Program 11 (page V-4) identified a significant number of units demolished over the last planning period, it may be appropriate to include a separate monitoring program within the current planning period to ensure that the housing stock within the costal area is being maintained.